

105TH CONGRESS
1ST SESSION

H. R. 1892

To amend the Internal Revenue Code of 1986 to treat as a qualified transportation fringe which is excludable from gross income the payment by the employer of certain telecommuting-related expenses of employees.

IN THE HOUSE OF REPRESENTATIVES

JUNE 12, 1997

Mr. PRICE of North Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to treat as a qualified transportation fringe which is excludable from gross income the payment by the employer of certain telecommuting-related expenses of employees.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Home Telecommuter
5 Tax Policy Act”.

1 **SEC. 2. EXCLUSION FOR CERTAIN TELECOMMUTING-RE-**
 2 **LATED EXPENSES PAID BY EMPLOYER.**

3 (a) IN GENERAL.—Paragraph (1) of section 132(f)
 4 of the Internal Revenue Code of 1986 (defining qualified
 5 transportation fringe) is amended by adding at the end
 6 the following new subparagraph:

7 “(D) Any qualified telecommuting bene-
 8 fit.”

9 (b) QUALIFIED TELECOMMUTING BENEFIT.—Para-
 10 graph (5) of section 132(f) of such Code is amended by
 11 redesignating subparagraphs (D) and (E) as subpara-
 12 graphs (E) and (F), respectively, and by inserting after
 13 subparagraph (C) the following new subparagraph:

14 “(D) QUALIFIED TELECOMMUTING BENE-
 15 FIT.—

16 “(i) IN GENERAL.—The term ‘quali-
 17 fied telecommuting benefit’ means any
 18 payment of (or reimbursement for) the in-
 19 stallation and use of an additional tele-
 20 phone line to any residence of the employee
 21 if any portion of the use of such line is use
 22 by such employee in performing services
 23 while at home in any trade or business of
 24 the employer.

25 “(ii) EXCEPTION FOR SEPARATE
 26 CHARGES FOR PERSONAL CALLS.—Such

1 term shall not include any reimbursement
 2 for a separately-stated charge for a call not
 3 in the performance of services in any trade
 4 or business of the employer.”

5 (c) SEPARATE LIMITATION ON TELECOMMUTING
 6 BENEFIT EXCLUSION.—

7 (1) IN GENERAL.—Paragraph (2) of section
 8 132(f) of such Code is amended by striking “and”
 9 at the end of subparagraph (A), by striking the pe-
 10 riod at the end of subparagraph (B) and inserting
 11 “, and”, and by adding at the end the following:

12 “(C) \$60 per month in the case of quali-
 13 fied telecommuting benefits.

14 In applying the limitation of subparagraph (C), any
 15 reimbursement of an expense for which the employee
 16 is allowed a deduction under section 62(a)(2) shall
 17 not be taken into account.”

18 (2) INFLATION ADJUSTMENT.—Paragraph (6)
 19 of section 132(f) of such Code is amended by strik-
 20 ing “paragraph (2)(A) or (B)” and inserting “sub-
 21 paragraph (A), (B), or (C) of paragraph (2)”.

22 (d) EFFECTIVE DATE.—The amendments made by
 23 this section shall apply to taxable years beginning after
 24 the date of the enactment of this Act.

○